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DE RUEHPU #2373/01 3481717
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FM AMEMBASSY PORT AU PRINCE
TO RUEHC/SECSTATE WASHDC PRIORITY 4881
INFO RUEHZH/HAITI COLLECTIVE PRIORITY
RUEHBR/AMEMBASSY BRASILIA PRIORITY 1324
RUEHSA/AMEMBASSY PRETORIA PRIORITY 1160
RUEHQU/AMCONSUL QUEBEC PRIORITY 0652
RUMIAAA/HQ USSOUTHCOM J2 MIAMI FL PRIORITY
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RUCPDOG/DEPT OF COMMERCE WASHDC PRIORITY
RUCNDT/USMISSION USUN NEW YORK PRIORITY 1066

UNCLAS SECTION 01 OF 02 PORT AU PRINCE 002373

SIPDIS

SENSITIVE
SIPDIS

STATE FOR WHA/CAR
S/CRS
SOUTHCOM ALSO FOR POLAD
STATE PASS TO USAID FOR LAC/CAR
INR/IAA (BEN-YEHUDA)
WHA/EX PLEASE PASS TO OAS
TREASURY FOR J. LEVINE
COMMERCE FOR S. SMITH

E.O. 12958: N/A
TAGS: [PGOV](#) [PREL](#) [ECON](#) [ETRD](#) [HA](#)
SUBJECT: GOH TO ANNOUNCE NEW CARICOM OFFICE

REF: A. PORT AU PRINCE 1973
[1](#)B. PORT AU PRINCE 2060

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[1](#)1. Summary: President Rene Preval appointed a new advisory council on external relations consisting of financial specialists Marie Michelle Rey, Charles Clarmant, and Preval's financial advisor (and presumed fiancée) Elizabeth Delatour. He created the advisory council in September to review relations with Haiti's bilateral and multilateral partners such as the European Union, Venezuela, Cuba, and the ABC countries (Argentina, Brazil and Chile). Advisory council members told Poloff December 5 that Haiti will open a new office for the Caribbean Community and Common Market (CARICOM). A presidential decree appointed advisory council member Rey as head of the new office, which will open early [1](#)2007. According to advisory council members, relations with CARICOM work in tandem with the GoH goal to improve relations with the Dominican Republic as it enters DR-CAFTA. Restrictions on travel and immigration in the region continue to isolate Haiti from other CARICOM member states, but will give CARICOM and DR a common dilemma vis-a-vis the GoH. The council, highlighting Preval's focus on external relations and trade negotiations, is newly-formed but its advisors are seasoned in Haiti's private and public sector affairs. End Summary.

Think Tank for External Relations
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[1](#)2. Members of the executive advisory council on external relations described themselves as a think tank of presidential advisors to review relations and negotiations with Haiti's partners. The office works under the umbrella of the Prime Minister's authority. It does not replace the work of various ministries, but instead works to coordinate all of Haiti's external efforts -- including trade negotiations, commercial agreements, environmental initiatives, tourism promotion -- within the GOH apparatus. Currently, the council is also reviewing Haiti's trade

negotiations with the European Union, possible replacements for the Caribbean Basin Initiative (CBI), an agreement signed by Madeleine Albright in 1998 that gave the U.S. Coast Guard access to Haitian waters (ref A), and Haiti's pending status with the WTO.

Moving Forward with Caricom and the DR

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¶3. Advisory council members told Poloff December 5 that Haiti would formalize its reintegration with CARICOM while also increasing relations with its neighbor, the Dominican Republic. Building relations with both the DR and CARICOM makes sense because the DR is getting closer to its Caribbean neighbors and will inevitably play a large role in Haiti's development. They reported that the DR is re-positioning itself as the "biggest economy in the Caribbean," which at least aligns it with other Caribbean countries instead of its usual counterparts in Central and South America. It is possible, they reported, that the DR will sign an agreement with CARICOM in the near future.

Immigration Unresolved

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¶4. Immigration from Haiti is one of most contentious issues for the regional body, according to advisory council members. Many of the countries in the Caribbean such as the Bahamas, Guadeloupe, Martinique, and French Guyana are home to Haitians who migrated both illegally and legally. Thus, the CARICOM Secretariat is unlikely to loosen its policy on Haitian travel in the region. (Note: For travel to countries hosting the International Cricket Council World Cup, Haiti is the only CARICOM member state not exempt from the common visa required for travel. Private sector representatives have complained that Haitian business travelers are subject to

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long delays in receiving visas to travel to other CARICOM states (ref B). End note.) Advisory council members specified that CARICOM and the DR will work together on this issue because they share concerns about Haitian out-migration. CARICOM will not be involved in immigration disputes between the DR and Haiti, although it will likely serve as a third party observer to increase regional integration with the DR, according to advisory council members.

¶5. Comment: Newly-formed, but with plenty of previous experience both in government and the private sector, the advisory council provides insight into Haiti's ambition as it normalizes relations with its friends and partners. The good news about the new CARICOM office is offset by a number of unresolved issues, such as immigration and customs duties, which are low in Haiti by CARICOM standards. The CARICOM Secretariat argues that the countries in the Caribbean, with

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relatively low production, rely on the tax for government revenues. Historically, however, Haiti has kept its export/import taxes low in line with recommendations from international finance institutions, advisory council members explained. This issue, among other regional concerns such as tourism, disaster relief efforts, the environment, drugs, and migration, should give the new CARICOM office plenty to do. The long-term benefit of spending scarce GoH time and resources pursuing ties with CARICOM is questionable, especially since the DR is Haiti's most important regional partner. Nevertheless, if Haiti could overcome the barriers to integration, the benefits of CARICOM include a flourishing export market for cheap food and semi-skilled labor.

SANDERSON